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DIVISION OF BANKS

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WRITING GUIDE

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Introduction

The Division of Banks' new Writing Guide is designed to serve as a reference for all personnel. Whereas previous editions were designed for examination staff in the field, the new Writing Guide is designed for staff in each unit, both in the field and in the office. This edition contains several changes from the previous edition. Therefore, please review the Guide thoroughly.

The main section of the Guide includes both general and specific writing standards. The appendix contains specific examples of the appropriate tone for examination reports as well as standards for writing letters and memorandums. In order to achieve the highest level of consistency and quality in the Division's writing, please refer to this Guide regularly. Also, feel free to give your thoughts and comments regarding the content of this Guide.

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WRITING STANDARDS

NUMBERS

GENERAL

1. Write numbers from zero to ten as words and numbers above ten as figures.

2. When several numbers appear in the same sentence or paragraph, express them alike, regardless of other rules: The bank had 13 tellers and 5 loan officers.

3. Spell out numbers which begin a sentence.

4. Do not follow a word representing a number with the figure in parentheses, except in a legal contract or agreement.

5. Write "percent" in formal documents: The bank charged 4 percent interest. The use of the percent symbol (%) is appropriate in Reports of Examination. Be consistent in using the symbol or spelled word throughout a document.

6. Use figures to express units of measurement: The property was 6 miles from the office.

REPORT GUIDELINES

7. Write out figures over ten in report comments. (Use $2,338M in loan write-ups)
   Examples: $2.3 million rather than $2,300M or $2MM.
   $250,000 rather than $250M.

   Note: When writing out whole numbers, carry out to only **one** decimal place.
   Example: $2.3 million rather than $2.335 million

   As a general rule, write the full figure out if under $1 million.
   Example: $250,000 rather than $250 thousand.

DATES

8. When you use a complete date in a sentence, place a comma after the year.
   Example: The last examination took place July 21, 1993, and lasted two months.

9. Spell out dates in formal documents. Example: October 11, 1992, rather than 10-11-92.

   Whenever possible, please use the exact date. Only use the month and year (August 1989) when the exact date is unknown.

TITLES AND HEADINGS

1. Capitalize, and bold section headings on page 1 and on core comment pages. For example, on page 1.2:

   ASSET QUALITY
   VIOLATIONS
   MEETING WITH MANAGEMENT

2. Always use an individual's full name (Jr., Sr., III, middle initial), never abbreviate or use nicknames.

3. Always use the full name of an institution, never abbreviate.

   Example: Anytown Co-operative Bank, rather than Anytown Coop.

4. Do not use both a common and formal title such as Mr. James J. Thornton, President. Instead use James J. Thornton, President.

LEGAL REFERENCES

When referring to an apparent violation of state or federal law or regulation in a report, use the following references. Generally, questions regarding legal references can be resolved by referring to A Uniform System of Citation (commonly referred to as "the Blue Book").

1. Massachusetts General Laws

   Refer to the General Laws chapter, section, and subsections in descending order as follows: General Laws chapter 167, section 2, or G.L. c. 167, s. 2. Except when starting a sentence, always use the abbreviated format G.L. c. 167, s.2..

2. Massachusetts Regulations

   All regulations are set in the Code of Massachusetts Regulations (CMR). The numbers preceding CMR identify the agency. The numbers after CMR refer to the specific regulation. The Division's agency code is 209.

   When referencing the first time, use The Division's "Truth in Savings" Regulations 209 CMR 36.00 et seq.. Afterwards, use 209 CMR 36.00 et seq (unless starting a sentence).

3. Administrative Bulletins

   These documents are issued and numbered directly by the Division. Refer to the reference numbers such as Administrative Bulletin 24-1.

4. United States Code

Federal laws are set out in the United States Code, with most banking matters in Title 12. Refer to 12 USC and the appropriate provision, e.g., 12 USC §36.

5. Federal Regulations

All regulations are set in the Code of Federal Regulation (CFR) with most banking matters in Title 12. Refer to 12 CFR and the appropriate provision, e.g., 12 CFR 336.01.

ACRONYMS AND INITIALISMS

1. Quotation marks are unnecessary when using acronyms and initialisms.

   Example: Memorandum of Understanding (MOU)

   However, in legal documents and transmittal letters use: Memorandum of Understanding ("MOU").

2. For the first time, when referring to a regulatory action, technical term, organization, or a ratio, write the term out in full, then use corresponding abbreviations.

   Memorandum of Understanding (MOU), Cease and Desist (C&D), allowance for loan and lease losses (ALLL), in-substance foreclosure (ISF), other real estate (ORE), rate sensitive assets (RSA), Net Interest Margin (NIM), Return on Average Assets (ROA), fiscal year end (FYE), and Massachusetts Housing Finance Agency (MHFA).

   Example: In accordance with the Memorandum of Understanding (MOU), the Tier One Leverage Capital ratio must be maintained above 6%.

3. Write Massachusetts in full in formal writing.

   Exception: Use the abbreviation MA only in loan write-ups.

   Never use Mass or Ma.

CAPITALIZATION

GENERAL

1. Capitalize specific persons, places, and things: Atlanta is a large city in the South.

2. Do not capitalize words used in a general sense: He went south to Atlanta.

3. Capitalize titles: Chairman Jones. Peter Jones, Chairman, Fidelity Bank

4. Do not capitalize occupations used in a general sense: Martha is president of the bank. But you would capitalize the title if it takes the place of the official' name: Classifications were discussed with the Senior Vice President of Lending.

5. Capitalize board of directors when referring to a specific institution's Board. Do not capitalize when using in a general sense.

   Example: The Board did not approve the revised capital plan.
   It is a board of directors' fiduciary responsibility to ensure the safety and soundness of the institution.

6. Capitalize the first word of a complete sentence in quotation marks.

   Example: The borrower asked, "When does the bank require an annual financial statement?"

7. Complete sentences contained as numbered items within a sentence may also be capitalized.

   Example: He recommended two ways to increase income: (1) Next year the bank should spend less money on advertising, and (2) Our loan origination should increase.

8. Capitalize the first word in a salutation and complimentary close of a letter.

   Dear Mr. Smith:
   Sincerely yours,

SPECIFIC GUIDELINES

REFERENCING THE DIVISION OF BANKS

9. When referring to the Division of Banks for the first time in the report of examination, write the Division of Banks (Division). Afterwards use: Division.

APPARENT VIOLATIONS

10. Capitalize the word Part when referring to an apparent violation, e.g., Part 326.8 of FDIC Rules and Regulations of Statutory Citations..

    Note: Do not capitalize the word chapter when referring to a Massachusetts statute.

REPORT GUIDELINES

11. Use lower case "p" when referring to another page in the examination. In addition, do not put "of this report" after the page and number.

    Example: Furthermore, current financial information and rent rolls continue to be lacking in a significant number of credit files, as evidenced by the schedule of technical exceptions on page 2-d.

12. Capitalize ratios as follows:

    a) Capitalize complete titles of ratios: The Net Income (After Tax) to Average Assets ratio equalled 1.20%. The Noninterest Expense to Average Assets ratio was 4.56%.

    b) Do NOT capitalize ratios which are abbreviations: return on average assets; return on equity; the overhead ratio; the net interest margin.

    c) Do NOT capitalize when defining a ratio: The net interest margin equals net interest income divided by average earning assets.

13. Do not capitalize the word bank, credit union, or licensee, when referring to the institution that you are examining.

    Exception: The word has been previously defined in a legal correspondence. The agreement entered into by the Board of Directors of the Boston Savings Bank (Bank) states that quarterly reports should be sent to the Division by the 15th of each month. In addition, the Bank must submit for approval all changes in senior management.

14. Capitalize the words Substandard, Doubtful, Loss, and Special Mention, when referring to classified or criticized assets. Also use capitalization when referring to ratings.

15. Do not capitalize when referring to balance sheet and income statement items.

    Example: available-for-sale securities

16. Capitalize the formal titles of a bank's written policies and committees.

Example: The Audit Committee reviewed the bank's loan policy, formally known as the Credit Underwriting and Administration Policy. In this example, the reference to 'loan policy' has not been capitalized since it is not the formal name of the policy.

17. Capitalize references to Report of Examination, Call Report, Call Report Instructions, and Consolidated Reports of Condition and Income within comments.

SPECIFIC PEOPLE AND GROUPS

18. Capitalize names of ethnic groups and nationalities.

Italian
Canadian
Hispanic

SPECIFIC INSTITUTIONS, EVENTS, AND CONCEPTS

19. Capitalize the names of institutions, organizations, and associations.

20. If referring to a bureau or executive department of the U.S. Government when the name is given, capitalize the words **Federal, Department, Bureau, Service, Station, Office, Agency, Commission,** and, **Board**.

PLEASE REFER TO THE GRAMMAR GUIDE AND THE BUSINESS WRITER'S HANDBOOK FOR FURTHER REFERENCE.

PUNCTUATION

COLONS

1. Use a colon after an independent clause to signal an explanation or amplification.

   Example: The Division has one concern: the health of the state's banks.

COMMAS

2. Place a comma between independent clauses joined by a coordinating conjunction (and, but, or, nor, and sometimes so, yet, and for). Place the comma before the coordinating conjunction.

   Example: Management in some key areas has improved, but problems persist.

3. Place a comma after introductory material.

   Example: When the Division receives yours claims, it will process them.

4. Place a comma after items in a series.

   Example: The Division reimburses employees for tickets, hotels, taxis, and tips.

5. Place commas around parenthetical material.

   Example: The RTC, which was recently separated from the FDIC, is undergoing reorganization. Reorganization plans were announced on March 24, 1992, in Boston.

HYPHENS

6. Proper punctuation for a co-operative bank: Co-operative Bank of Lowell

7. Adjectives

   a) Hyphenate connected words that function as adjectives if they occur before the word they modify.

   Example: Available-for-sale securities total $10,000,000.
   The bank purchased a long-term bond .
   Past-due loans are excessive.

b) Do not hyphenate connected words that function as adjectives if they occur after the work they modify.

Example: The bank had securities designated as available for sale.
The bond is long term.
An excessive number of loans are past due.

8. Prefixes. Words containing prefixes generally do no require hyphens, including: nonaccrual, nonperforming, subinvestment, nonrecurring, noninterest, and subtotal.

9. Compound Verbs. Compound verbs are usually solid or hyphenated. If you do not find a compound verb in a dictionary, hyphenate the components. Examination report standards: charge-off, paid-off, write-off/up/down.

10. Compound Nouns. Compound nouns may be separate, solid, or hyphenated. If you do not find a compound noun in a dictionary, write the components as separate words. Examination report standards: chargeoff, payoff, examiner-in-charge..

11. In a series of unit modifiers that all have the same term following the hyphen, the term following the hyphen need not be repeated throughout; for greater smoothness and brevity, use the term only at the end of the series.

Acceptable: one-family, two-family, and three-family residences.

Better: one-, two-, and three-family residences.
or one- to three-family residences.

QUOTATION MARKS

12. Insert periods and commas before ending quotation marks.

Example: The officer commented, "The investment was an interest rate risk hedge."

SEMICOLONS

13. Use a semicolon between independent clauses which are in balance.

Example: Many weak banks have closed; however, some remain open.

14. Use a semicolon between sentence elements which have commas within them.

Example: Present at the final conference were John Marshall, FDIC; James Peters, Division of Banks; Mary Jones, OTS.

SPACING/LOCATION OF PUNCTUATION

15. Put **two spaces** after a period and one space after a comma. Place commas and periods inside a quote. Place colons and semicolons outside of quotes.

16. When placing complete sentence within parentheses, the ending punctuation goes inside the final parenthesis.

    Example: The new marketing approach appears to be a success: most of our regional managers report sales increases of 15 to 30 percent. (The only important exceptions are the Denver and Houston offices.)

17. Put **two spaces** after a colon and **one space** after a semi-colon.

MISCELLANEOUS

1. **Never** begin a sentence with a figure.

2. Use the computer spell check.

3. Please reference The Business Writer's Handbook, for further clarification.

GRAMMAR

ACTIVE VOICE

1. The active voice is more direct and vigorous than the passive voice. You should write in the active voice far more than in the passive voice.

   Active: The bank paid $180,000 in cash dividends on November 11, 1992.

   Passive: Cash dividends of $180,000 were paid by the bank on November 3, 1992.

2. The active voice almost always provides more information in a clearer structure than the passive voice.

AGREEMENT OF SUBJECT AND VERBS

3. A verb must agree with its subject. Do not let intervening phrases and clauses mislead you.

   Examples: The ratios as calculated by the examiner were recorded in the report.

   The advice of two examiners, one lawyer, and three office personnel was considered.

   Note: All these examples are written in the passive voice. Subject verb agreement is less of a problem in simple active voice sentences.

COLLECTIVE NOUNS

4. Collective nouns are a group or collection of persons, places, things, concepts, actions, or qualities. When a collective noun refers to a group as a whole, it takes a singular verb and pronoun.

   Examples: The staff was divided on the issue and could not reach *its* decision until May 15, 1993.

   The Board of Directors is responsible for approving policies and procedures.

   The bank is prepared to allocate additional provisions to its loan loss reserve.

CONTRACTIONS

5. Do not use contractions.

DANGLING MODIFIERS

6. A result of using the passive voice improperly, dangling modifiers leave references unclear.

   Bad Example: Hurrying to leave the bank, the doors were left unlocked.

   This example makes it sound as though the doors were hurrying! Be sure modifying phrases modify the correct word or phrase.

   Good Example: Hurrying to leave the bank, the clerk left the doors unlocked.

ELLIPSES

7. When you omit words in quoted material, use a series of three space periods, ellipsis dots, to show the omission.

   Example: Without Omission

   "The existence of a bank holding company cannot be ignored when analyzing bank earnings because of the influence the parent company may exercise over the bank."

   Example: With Omission

   "The existence of a bank holding company...may exercise control over the bank."

8. When the omitted portion of the quotation comes at the beginning of the sentence, begin the quotation with a lowercase letter.

   Example: Without Omission

   "When any questions are raised, the examiner must follow through with a series of computations to be sure."

   Example: With Omission

   The report states that the examiner "must follow through with a series of computations to be sure."

9. When the omission comes at the end of a sentence and you continue the quotation following the omission, use four dots to indicate both the final period to end the sentence and the omission.

Example: Without Omission

"The adequacy of the allowance for loan and lease losses continues to be a principal factor to consider when evaluating the quality of earnings. Examiners should therefore ensure that bank management reviews the adequacy of its "allowance" at least quarterly. Furthermore, management must maintain reasonable records in support of its evaluations of its evaluations and entries."

Example: With Omission

"The adequacy of the allowance for loan and lease losses continues to be a principal factor to consider when evaluating the quality of earnings....Furthermore, management must maintain reasonable records in support of its evaluations and entries."

EMPHASIS

10. The first step in achieving emphasis (stressing an idea) is through simple and concise writing. An additional mechanical means of doing this is to set an item apart with a dash or by use of italics. Quotation marks should never be used for emphasis.

Examples: This was important--it had to be done today.

This was important; it had to be done today.

PARALLEL STRUCTURE

11. Parallel sentence structure requires that sentence elements that are alike in function be alike in construction as well.

Examples: The river runs under the culvert, behind the embankment, and into the pond.

We need a clerical person to handle calls and to free examiner personnel from routine duties.

PARENTHESIS

12. As a general rule, do not use parenthesis; however, when used, follow the rules below.

    If a parenthesis closes a sentence, the ending punctuation should appear after the parenthesis. Also, a comma following a parenthetical word, phrase, or clause appears outside the closing parenthesis.

    Example: Two of our field supervisors, John Doe (North) and Jane Smith (South), do not believe the new regulation will have an impact on profitability.

POSSESSIVE CASE

13. A noun or pronoun is in the possessive case when it represents a person or thing owning or possessing something.

    Example: The bank's Board of Directors had 12 members as of December 31, 1994.
    Exception: It's is a contraction for "it is". The possessive form of the word "it" is "its".

14. Singular nouns show the possessive by adding an apostrophe and s.

    Example: bank/bank's

15. Singular nouns of one syllable form the possessive by adding 's.

    Example: The boss's desk was cluttered with phone messages.

16. Nouns that form their plurals by adding an "s" show the possessive by placing an apostrophe after the "s" that forms the plural.

    Example: A Division wide managers' meeting will take place Monday.

WORD USE

A/AN

You should use "a" before nouns and noun phrases that denote a single, but unspecific, person or thing. You should use "an" instead of "a", before words beginning with a vowel or with an unpronounced (silent) "h."

Examples: The meeting lasted an hour.

The assistant examiner was a help to us.

ACCEPT/EXCEPT

Accept is a verb meaning "consent to," "agree to take," or "admit willingly."

Example: I accept the responsibility that goes with the job.

Except is normally a preposition meaning "other than" or "excluding."

Example: We agreed on everything except the adequacy of the loan loss reserve.

AFFECT/EFFECT

Affect is a verb that means influence.

Example: The president's decision will affect us all.

Effect can function either as a verb that means bring about or as a noun that means result.

Examples: The president effected the change.

The decision has had a good effect on the employees.

CAN/MAY

In writing, can refers to capability, and may refers to possibility or permission.

Example: I can have the earnings comments written by Friday. (capability)

I may be out of the bank on Monday. (possibility)

I can be out of the bank on Monday. (capability)

May I have an extra week to finish this examination? (permission)

EACH

When each is used as a subject, it takes a singular verb or pronoun.

Example: Each examiner should type up his/her own report pages.

(NOTE: Each examiner should review their own loan files.)

ETC.

Etc. is an abbreviation meaning "and others." If used, it should always follow a list of at least two items in order to avoid confusion about the types of items intended. Its use should be avoided as much as possible, however, in business writing.

FACT

Expressions using the word fact ("due to the fact that," "except for the fact that") are often wordy substitutions for more accurate terms. Except when actual facts are referred to, avoid using this term in favor of more specific ones such as "because" or "since."

FIRST/FIRSTLY

First and last are adverbs in their own right, and preferable to such terms as firstly and lastly.

GOOD/WELL

The confusion about the use of good and well can be cleared up by remembering that good is an adjective and well is an adverb. However, well can also be used as an adjective to describe someone's health.

Examples: Director Smith presented a good plan for returning the bank to profitability.

The capital plan was presented well by Chairman Jones.

Examiner Johnson is looking well considering his recent health problems.

IN/INTO

In means "inside of;" into implies movement from the outside to the inside.

Example: He went back into the building to get his computer, which he had left in his office.

IRREGARDLESS

Irregardless is nonstandard English because it expresses a double negative. Use regardless or irrespective instead.

IT'S/ITS

Its is a possessive pronoun, whereas it's is a contraction of **it is**. Be careful not to confuse the two.

Example: It's important that the factory meet its quota.

Do not use contractions such as it's, always spell out, in full, both words.

LAY/LIE

Lay is a transitive verb (a verb that has a direct object to complete its meaning) and means place or put. its present tense form is **lay**, past tense form is **laid**.

Example: We laid the blame squarely on the president.

Lie is an intransitive verb, which does not require an object to complete its meaning.

Example: Injured employees should lie down and remain still.

LIKE/AS

Like is a preposition and as is a conjunction. Use like with noun or pronoun that is not followed by a verb. Use as before clauses (which contain verbs).

Example: The new field office supervisor behaves like a dictator.

He acted as though he owned the bank.

PRINCIPAL/PRINCIPLE

Principal, meaning an "amount of money on which interest is earned or paid" or a "chief in a school or court proceeding," is sometimes confused with principle, meaning a "basic truth or belief."

Examples: The bank will pay 6.5% on the principal.

She is a person of strong principles.

Director Jones is the principal of the high school.

Principal is also an adjective, meaning "main" or "primary."

Example: My principal objection is that it will be too expensive.

THAT/WHICH

That is used for restrictive or defining clauses. A defining clause identifies the word it modifies and limits it to a particular group:

Which is used for nonrestrictive or nondefining clauses. A "which" phrase may be eliminated without changing the meaning of the sentence.

Examples: The school that the student attended teaches bank and bank holding company analysis.

The Financial Institution Analysis School, which the student attended, teaches bank and bank holding company analysis.

TO/TOO

These are confused because they sound alike.

Examples: To is used as a preposition and or to mark an infinitive.

Sent the report to him.
I wish to go.

Too is an adverb meaning "excessively" or "also."

Example: The price was too high.
I, too, want to go.

UNINTERESTED/DISINTERESTED

Disinterested means "impartial, objective or unbiased." Uninterested means simply "not interested."

Examples: We want to be judged by a disinterested party.
I was uninterested in the lecture.

WHO/WHOM

When in doubt about which form to use, try substituting a personal pronoun to see which fits.

Examples: If **he** or **they** fits, use who.

Who is the teacher? He is the teacher.

If **him** or **them** fits, use whom.

Example: It depended on whom? It depended on them.

WHOSE/OF WHICH

Whose should normally be used with persons; which should normally be used with inanimate objects.

Example: The examiner whose car was towed had no cash.

The report, the pages of which were not in order, was sent bank to the examiner- in-charge.

WOULD OF/COULD OF

Increased usage has been noted of the terms **would of** and **could of** as apparent substitutions for the contractions would've and could've. This is improper usage. Avoid contractions as well; in this case, use would have or could have.

CONTENT AND STYLE CRITERIA

I. CONTENT CRITERIA

A. Adequately supported comments should:

- provide sufficient facts to justify the ratings assigned;
- use appropriate tone; and
- address all "appropriate" factors. "Appropriate" factors are those that you consider when you assign a rating.

B. Adequately supported comments should not:

- rely on peer comparisons to an extreme degree, especially when the internal ratio relationships are more meaningful;
- make invalid comparisons to peer; or
- contain conclusions based on inaccurate or invalid assumptions.

II. STYLE CRITERIA

A. Adequate-written comments should be grammatically correct, clearly written, and well organized. Refer to grammar, word use, and capitalization guides in the appendices. Use the spell check function on your computer before submitting final drafts.

1. "Grammatically correct" at a minimum includes;

- complete sentences,
- words are spelled correctly,
- proper word use,
- correct punctuation,
- correct use of possessive nouns, pronouns, and proper capitalization.

2. "Clearly written" is defined as:

- concise phrases, sentences, and paragraphs; and
- reader oriented.

3. "Well organized" is defined as:

- properly structured paragraphs having an introductory statement, supporting ideas, and a concluding or transitional statement
- paragraphs are presented in a logical order with each building on the previous paragraph.

B. Adequately written comments should not:

- use slang,
- use terms and ratios that are not defined. (The definition can be in the instructions for the pertinent report or within the comments themselves.)
- use **"canned"** comments that are irrelevant to the bank being evaluated,
- be subject to misinterpretation,
- state a ratio without giving insight or analysis,
- use complicated words when simple words will do,
- overuse passive voice,
- use contractions,
- be redundant,
- contain needless words.

APPENDICES

I. APPROPRIATE TONE

II. LETTER WRITING

III. MEMORANDUM WRITING

IV. REFERENCES

APPROPRIATE TONE

Your written descriptions within the report should be consistent with the rating that you assign. Uniform ratings are related to certain descriptive phrases as shown below.

COMPOSITE Rating	Component Description
	FINANCIAL INSTITUTIONS
1	**STRONG PERFORMANCE**
-	significantly or substantially above [acceptable] peer/average
-	nominal/minimal (classifications)
-	more than adequate/satisfactory
-	well above [acceptable] peer/average
-	strong (earnings, capital)
2	**SATISFACTORY PERFORMANCE**
-	average
-	adequate
-	[acceptable] peer comparable
-	moderate (earnings, classifications)
-	sufficient
-	manageable (classifications)
-	slightly above/below [acceptable] peer
3	**FAIR PERFORMANCE**
-	below average/[acceptable] peer
-	moderately unsatisfactory
-	minimal (earnings, capital)
-	less than acceptable
-	marginally adequate (capital)
-	weak
4	**MARGINAL PERFORMANCE**
-	significantly below average/[acceptable] peer
-	undercapitalized
-	heavy (losses) (classifications)
-	less than adequate (capital)
-	poor
5	**UNSATISFACTORY PERFORMANCE**
-	critically deficient
-	massive level of adverse classifications
-	critically undercapitalized

APPROPRIATE TONE
CRA

COMPOSITE
Rating Component Description

1 **OUTSTANDING**
- Thorough
- Comprehensive
- Highly involved
- Ongoing and meaningful contacts
- Leadership role
- Affirmative outreach
- Innovative products or underwriting standards
- Aggressive marketing
- Reasonable distribution/penetration

2 **SATISFACTORY**
- Adequate
- Regular involvement
- Appropriate outreach
- Average
- Acceptable
- Sufficient

3 **NEEDS TO IMPROVE**
- Inadequate
- Weak/weaknesses
- Limited involvement/support/outreach
- Passive
- Unreasonable
- Disproportionate distribution
- Minimal
- Insufficient

4 **SUBSTANTIAL NONCOMPLIANCE**
- Deficient
- Little, if any involvement/support/outreach
- No meaningful contacts
- Limited interest
- Unaware
- Unwilling
- Restrictive
- Unjustified

SAMPLE BUSINESS LETTER

<SP>
<SP>

April 7, 1997

<SP>
<SP>
Mr. John Jones
President
Really Huge Bank
1000 Main Street
Cooland, Massachusetts 01234
<SP>
<SP>
Dear Mr. Jones:
<SP>
<SP>

Since all Division letters are to be typed on letterhead, the **heading** should consist only of the date. It should be placed two lines below the last line of printed text. With Division letterhead, this is 12 spaces down. Align the heading with the centerline of the page. The **inside address** includes the recipient's full name and address, and is given two spaces below the heading if the letter is long (or four spaces if the letter is short). The inside address should be aligned with the left margin, which should be one inch. Include the reader's full name, and full address including ZIP. Spell out words like *street*, *north* or *first*.

The **salutation** should be placed two spaces below the inside address, and also aligned with the left margin. The salutation should contain the recipient's title and last name followed by a colon. Always address a woman as Ms. unless she has expressed a preference. Spell out titles such as *professor*. The **body** should begin two spaces below the salutation. Single-space within paragraphs, double-space between paragraphs. You should indent each paragraph one tab set at 0.5 inches. The right margin should be as wide as the left margin, preferably one inch.

Type the **complimentary closing** two spaces below the body. Use a standard expression like, *Very truly yours*, or *Sincerely*. Capitalize only the initial letter of the first word, and follow the expression with a comma. The complimentary closing should be aligned with the heading at the centerline of the page. Type your full name four spaces below, aligned with the closing. Include your title. Sign your name in the space between the complimentary closing and your name.

J. Jones
Page 2
April 7, 1997
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If a letter requires a **second page**, always carry at least two lines of the body text to the next page; do not use a continuation page to type only the letter's closing. There should be a **second page heading** consisting of the reader's name (first initial and last name), Page 2, and the date. The heading should be aligned with the left margin.

Information such as the **typist's initials, enclosure notations**, or **notice of copies (cc)** sent to other people may be required. Use capital letters for the letter writer's initials followed by either a colon or a slash. The typist's initials should be lower case letters. If an enclosure statement is used, mention the enclosed information in the body of the letter. Copy notations tell the reader that a copy of the letter is being sent to one or more individuals. The **document file location and name** should also always be included as shown below. The notation at the bottom of the page indicates that the document is located in the "c:\general\corsp" directory with a file name of sampl.ltr.

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Sincerely,
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Michael Power
Deputy Commissioner

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MP:afo
Enclosures
cc: Mr. Big President

c:\general\corsp\sampl.ltr

MEMORANDUM

TO: Division Staff

FROM: Thomas J. Curry, Commissioner

SUBJECT: The Division's New Standardized Format for Memorandums

DATE: October 16, 1996

This memorandum sets forth the Division's new standard for writing memorandums. Going forward all Division memorandums will be formatted as described below.

- **FORMAT:** All Division memorandums will be written on 8 ½" x 11" letterhead paper, full justification. The memorandum will always begin with TO:, followed by FROM: with the authors written initials after their name, SUBJECT:, and the DATE:, double spaced between each heading. Each heading should be in bold and capitalized. When addressing an individual, place the person's title after their name.

- **BEGINNINGS:** The only requirements for beginnings are that they be clear, purposeful, and direct. Thus, you should begin by stating essential points of information. The above sentence, starting with "This" is an example of a beginning.

- **SUBJECT LINE:** Subject lines function much like the titles of reports, aiding in filing and retrieval. Subject lines are also an important orientation when the reader first sees the memo. Therefore, it is important to make the subject line clear and concise. The memo should deal only with the single subject announced in the subject line, which also should be complete. Capitalize all major words in the title of a subject line except for conjunctions.

- **ENDINGS:** When you come to the end of a document, both you and your reader need a sense of closure. You must settle the business at hand and leave your reader with a strong final impression. A good conclusion focuses on points that you want your reader to take away from your piece.

- **GRAPHIC DEVICES:** Readers choose to read documents primarily because of the importance of the subject to them. Beyond that, they choose short pieces over long ones and those that look easy to read over those that look tedious. The following devices will help you design a document that will attract and hold your reader's attention:

  - White Space.
  - Underlining.
  - Capitals.
  - Boldface.
  - Bullets.

  The layout of your document conveys a strong visual message to your reader. Use graphic devices to reinforce your verbal message.

- **A SECOND PAGE:** When a memorandum exceeds one page, the top left of the second page should have a heading with the recipient's name, the page number and the date. The second page should be printed on standard 8 ½ x 11. Please see the top left of this page for example.

- **FONT:** For all Division memorandums, use Times New Roman font, 11 points.

- **MACRO:** When using WordPerfect DOS 5.1, you can access the standard memorandum heading by pressing ALT X. In WordPerfect for Windows 5.1 the standard heading is located in F:\exams\stdmem. When accessing this file, MAKE SURE TO RENAME YOUR DOCUMENT SO THE ORIGINAL WILL ALWAYS RESIDE IN F:\exams\stdmem.

- **CIRCULATED COPY:** When the memorandum Ccs an individual, write the name with the individual's title.

- **NAMING CONVENTION:** At the bottom left of the last page of your memorandum, write out (use Times New Roman, six points or fine) the file name and the directory where it is located. Please see the bottom of this page for an example.

- **EXAMPLE:** This memorandum will serve as an example for the Division's standard memorandum format. Remember, when writing a memorandum, follow all standards in the Division's writing guide.

cc: Jane Phalen, Deputy Commissioner
F:\exams\tmh\stdmem1

REFERENCES

Brusaw, Alfred, Oliu The Business Writer's Handbook

Cook, Line by Line

Piotrowski, Effective Business Writing: Strategies and Suggestions

Strunk and White, The Elements of Style

Shertzer, The Elements of Grammar

The New Public Library Desk Reference

FDIC Student Guide to Comment Writing

FDIC DOS Manual of Examination Policies

Shipley Associates Style Guide